Concerning an "X-Ray School Granting Diplomas."

The editor has received a copy of the following letters:

August 24, 1935.

Re: California School of X-Ray,
6331 Hollywood Boulevard, Los Angeles.

Secretary of State,
State Capitol,
Sacramento, California.

Dear Sir:—We would appreciate your advising us whether the records of your office show incorporation of the "California School of X-Ray," reported to have started in 1925 and giving a four months' day course and evening course of six months, thereafter issuing diplomas signed W. B. Carr, M. D., Medical Supervisor; Augustus H. Galvin, M. D., Anatomy; Walter W. Mosher, Assistant Director; Walter D. Finney, D. D. S., Oral Diagnosis; Sydney R. Broadbent, Superintendent of Clinic. According to a report of our investigation department, none of the individuals herein mentioned as signing the diplomas are ever in attendance at the school, which is conducted by S. C. Maranville, owner, director, and entire faculty.

If this institution is of record, please give us the filing date and number, list of incorporators, purposes, place of business, etc.

420 State Office Building,
Sacramento, California.

Very truly yours,

C. B. PINKHAM, M. D.,
Secretary-Treasurer, California State Board of Medical Examiners.

* * *

August 29, 1935.

Re: California School of X-Ray.

Albert Carter, Special Agent,
Board of Medical Examiners,
906 State Building,
217 West First Street,
Los Angeles, California.

Dear Mr. Carter:—Your letter of August 16, 1935, to the Los Angeles Better Business Bureau referred to the "California School of X-Ray" operated by S. C. Maranville at 6331 Hollywood Boulevard, Los Angeles, which you stated was issuing diplomas.

Under date of August 26, 1935, we were informed by the office of the Secretary of State that there is no record of a corporation by the name of the "California School of X-Ray." Hence, we wonder how this organization can legally issue diplomas.

We are also much interested in your statement that although said diplomas are signed by W. B. Carr, M. D., Augustus H. Galvin, M. D., Walter W. Mosher, Walter D. Finney, D. D. S., and Sydney R. Broadbent, D. O., none of these individuals, according to your report, is ever in attendance at the school, Maranville being the entire faculty.

Very truly yours,

C. B. PINKHAM, M. D.,
Secretary-Treasurer, California State Board of Medical Examiners.

Concerning the articles on "The Coroner's System," printed in this issue (pages 274 and 275).

Evanston, Illinois,
August 31, 1935.

To the Editor:—Yours of the twentieth has been referred to me, as was your previous letter of July 16, to which I replied.

I was very glad to have the opportunity to read the proof of Doctor Carr's article. I have prepared and enclose herewith some comment on the article. I hope you will not find it too lengthy. I felt that some of Doctor Carr's inferences required rather detailed discussion.

I have sent one copy of the proof to Doctor Ludvig Hektoen, president of the board of governors of the Institute, for three years chairman of the National Research Council's committee on medicolegal problems during the period of its activity, and the man, who, more than anyone else, has directed attention to the problems of legal medicine. I have urged him to make some additional comment. Whether he will do so I have not yet heard; he is a busy man.

If any reprints are to be made of Doctor Carr's article together with such comment as may be published, I would like to order one hundred copies. If no reprints are to be made, I would like to have for my medicolegal files a copy of the JOURNAL in which the material appears. . . .

Trusting that you will not find my discussion of Doctor Carr's article too prolix for your JOURNAL, I am,

Sincerely yours,

OSCAR T. SCHULTZ, M. D.

St. Francis Hospital.

P. S.—Since writing the above, I have learned that Doctor Hektoen is in Europe and is not expected back until October. I would suggest that Doctor Carr's paper be not held any longer, since Doctor Hektoen would probably have little to add.

SPECIAL ARTICLES

HOW GRIEVANCES ARE DEALT WITH UNDER THE ENGLISH HEALTH INSURANCE SCHEME*

By G. F. MCCLEARY, M.D.†

There are 16,071,000 men and women in England and Wales insured under the national health insurance scheme, and there are 16,500 insurance doctors. The insured persons, having paid their contributions to the cost of the scheme, are entitled to receive proper medical treatment; the insurance doctors by virtue of their agreements with the local insurance committees are under obligation to give it;[1] and the insurance committees and the Ministry of Health are responsible for ensuring that the doctors' obligations are fulfilled. Where medical services are provided on so enormous a scale, it is inevitable that cases will occasionally arise in which an insured patient considers, rightly or wrongly, that he has not received proper treatment from his insurance doctor; and it is necessary that a procedure should be devised by which such grievances shall be dealt with equitably, expeditiously, and economically.

In some European countries the doctors' obligation to give proper and necessary medical services is enforced by the insurance authorities' selecting the insurance doctors and making them responsible to superior officers for the quality of their work. Failure to do good work may result in the termination of the doctor's appointment. Under the English health insurance scheme there is no selection of doctors by the insurance authorities. Any doctor,[2] however careless,

---

* Reprinted from August 29 issue of the *New England Journal of Medicine.* See note in California Medical Association department, on page 302.

† McCleary, G. F.: Medical Officer of Health, Battersea, Hampstead, Bedfordshire. For record and address of author see *This Week's Issue,* page 432.

1 An insurance doctor's obligation in this respect is expressed in his agreement with the Insurance Committee in the following terms: "The treatment which a practitioner is required to give to his patients comprises all proper and necessary medical services other than those involving the application of special skill and experience of a degree or kind which general practitioners as a class cannot reasonably be expected to possess." Treatment in respect of a confinement is, however, expressly excluded.

2 Except a doctor who has been removed from the panel by the Minister of Health. Removal is a rare event.

intemperate and incompetent he may be, has the right to join the local panel of insurance doctors, and he has no superior officer to supervise his work. Some safeguard has been provided by giving the persons insured under the scheme the right, which private patients have, to choose, and change, their doctors; a doctor who acquires a reputation for bad work will sooner or later see his list of patients grow smaller and the lists of his competitors larger by the transfer of patients from his list to theirs. But meanwhile some patients may have been seriously damaged; and from the first it was recognized that additional means would have to be provided to secure that insured patients should receive proper treatment. For the great majority of insurance doctors such means are not needed; their professional conscience is sufficiently developed to keep them up to the mark. But among over sixteen thousand doctors it would be unsafe to assume that all may be relied upon to give unfailing attention; and it was generally agreed that it would be necessary to adopt some method for enabling insured patients to bring forward their grievances for adjudication. At the inception of the scheme there were doctors who considered that grievances should be heard in law courts, but by most this was regarded as undesirable. Legal proceedings are expensive; a doctor who has successfully contested an unfounded complaint may be unable to obtain costs from the complainant; and the publicity of a legal action does no good to a doctor's practice. It was therefore agreed to set up in each area a special committee to deal with grievances.

THE GRIEVANCE COMMITTEE

Each insurance committee appoints a medical service subcommittee specially constituted to hear complaints against insurance doctors. The subcommittee consists of an equal number, not less than three or more than five, of local medical practitioners and of representatives of insured persons, with a neutral chairman. The subcommittee's function is to investigate the complaint, find the facts and report them to the Insurance Committee, who on the facts so found (which, if no appeal is made, must be accepted as conclusive) decide what action should be taken. Either party may appeal against the decision to the Minister of Health.

The procedure for dealing with grievances will be more readily apprehended if we take an imaginary case and follow it through its various stages. It is similar to cases that have actually occurred.

THE CASE OF JAMES THOMPSON

James Thompson, who is twenty-six years of age, is an insured person and is employed in an iron foundry at a weekly wage of $15. Two years ago he chose Doctor Smith as his insurance doctor and was on his list when the case began. It began when Mr. Thompson awoke about two o'clock one morning with severe abdominal pain, which Mrs. Thompson vainly attempted to relieve with hot applications. Mr. Thompson was reluctant to send for Doctor Smith, who lived about half a mile away, but after enduring the pain for an hour he felt so ill that he asked his brother, a boy of fifteen who lived in the same house, to go to Doctor Smith and ask him to call as soon as possible. The boy arrived at Doctor Smith's house at 3:15 a. m., rang the night bell, and in answer to the doctor's inquiry through the speaking tube, said his brother had been awakened with a "terrible pain in his stomach," and that he felt very ill indeed and wanted the doctor to come around at once. He added that he had brought his brother's medical card with him to show that he was one of the doctor's insured patients. On being asked whether the patient had been sick or had diarrhea he said he did not know, but he was sure that his brother was "terribly ill." The doctor came downstairs, and made up a bottle of medicine, which he gave to the boy, saying that the patient should take a dose at once and another every two hours if still in pain and that he would call after breakfast. Mr. Thompson was greatly disappointed at not seeing the doctor, but he took the medicine, which, since it contained a substantial quantity of opium, relieved the pain considerably. About 11:45 a. m. the doctor called, found that Mr. Thompson was suffering from acute appendicitis and advised immediate removal to the local hospital, where an operation was at once performed by a surgeon on the hospital staff, the case being urgent.

Mr. Thompson made but a slow recovery, which he attributed to the failure of Doctor Smith to visit him when requested and the consequent delay before the operation could be performed. On leaving the hospital he removed his name from Doctor Smith's list to that of another doctor, and lodged a complaint against Doctor Smith with the Insurance Committee. A copy of the complaint was sent to Doctor Smith and the case referred to the Medical Service Subcommittee.

The subcommittee may dispense with a hearing if they deem the complaint frivolous; in this case they decided that a hearing was necessary, and Doctor Smith and Mr. Thompson were asked to attend their next meeting. At this meeting, which like all meetings of the subcommittee, was held in private, neither party being allowed to be represented by a lawyer or other paid advocate, Mr. Thompson, who had received a copy of Doctor Smith's answer to his complaint, gave his account of his illness and his brother told what happened when he called on Doctor Smith. The facts so stated were not disputed by Doctor Smith, except that, according to his recollection, he was called at 4:30 a. m. and not at 3:15 a. m. He said that the messenger's account of the patient's symptoms led him to think that the case was one of ordinary colic; that it was a most inclement night; and that he had a bad cold and was tired out by a hard day's work. When asked why if he felt unable to go out he did not arrange for a deputy to take the call, he said that the idea did not occur to him. He did not think his short delay in visiting the patient had materially affected the progress of the case. He was closely questioned by the doctors on the subcommittee, who seemed less impressed than their lay colleagues by the reasons he gave for his failure to visit the patient when requested.

After hearing the evidence the subcommittee prepared a report to the Insurance Committee, in which they found the facts as stated above,[3] inferred from them that Doctor Smith had failed to render proper service to his patient, and recommended that a sum of twenty pounds ($100) should be withheld from his remuneration. The Insurance Committee adopted the report without discussion and sent a copy to the Minister of Health.

DR. SMITH'S APPEAL

Doctor Smith exercised his right to appeal to the Minister of Health against the decision of the Insurance Committee on the report of their Medical Service Subcommittee. He thought the decision was unwarranted by the facts of the case. In accordance with the regulations governing these cases,[4] the Minister appointed an appeal tribunal consisting of three members: a medical officer and a legal officer of the Ministry of Health, and a medical practitioner selected from a panel of insurance doctors nominated by the British Medical Association. At the appeal both Doctor Smith and the Insurance Committee were represented by competent lawyers, and the witnesses, who gave evidence on oath, were subjected to searching cross-examination. The case concluded, the tribunal drew up a report to the Minister in which they stated that they saw no reason to dissent from the decision of the Insurance Committee.

The Regulations provide that in any case in which an insurance doctor has been found by the Insurance Committee (or by the appeal tribunal in a case in which an appeal has been made) to have been negligent in his treatment of the patient, the Minister shall, before arriving at a decision on the case, refer it to

---

3 The subcommittee's findings of fact must be accepted by the Insurance Committee as conclusive.

4 The Medical Benefit Consolidated Regulations, 1928.

an advisory committee, consisting of the chief medical officer of the Ministry of Health, two other medical officers of the Ministry, and three doctors selected from the panel of insurance doctors nominated by the British Medical Association to which reference has already been made, and shall consider their report on the case. Our imaginary case, which we have now traced to its final stage, would be so referred, and from what has happened in similar cases that have actually occurred it is unlikely that the decision of the Medical Service Subcommittee would be modified.

THE WITHHOLDING OF REMUNERATION

It will be noted that in this case the Insurance Committee, adopting the report of their Medical Service Subcommittee, recommended, with the concurrence of the appeal tribunal, that a sum of twenty pounds should be withheld from Doctor Smith's remuneration. In a case in which money is withheld, the Minister deducts the sum from the moneys paid by him to the Insurance Committee for providing medical services, and the committee deduct that sum from the next payment made to the doctor. During 1933, remuneration was withheld from eight insurance doctors who had been negligent in the treatment of their insured patients.

REMOVAL FROM THE PANEL

The most severe action that can be taken against an insurance doctor under the disciplinary procedure of the health insurance scheme is removal from the medical list, or "panel," as it is colloquially termed. This action may be taken by the Minister of Health if he is satisfied that the doctor's continuance on the panel would be "prejudicial to the efficiency of the medical service of the insured." A case of removal usually originates in a representation made by an insurance committee to the Minister of Health that the continuance of a certain doctor on the panel would be prejudicial to the medical service; and on receiving such a representation the Minister must appoint an inquiry committee, consisting of a lawyer (barrister or solicitor) in actual practice and two doctors. The committee hear the allegations made against the doctor and his reply; the witnesses give evidence on oath, and the parties are legally represented. The committee do not decide the question of removing the doctor from the panel; their business is to report to the Minister, stating the facts that appear to them to be established by the evidence and the inferences of fact which, in their opinion, may properly be drawn from the facts so established. The decision to remove or not to remove a doctor from the panel rests with the Minister, but before deciding he must refer the Inquiry Committee's report to the Advisory Committee mentioned above and must take their recommendations into consideration.

Very few doctors have been removed from the panel. In 1933 there was no case in which the question of removal was raised.

Complaints against insurance pharmacists are dealt with by a similar procedure, the complaints being heard by committees on which pharmacists are represented. There is, however, no advisory committee to deal with cases in which pharmacists are concerned.

It will be noted that in the procedure of the English health insurance scheme for the settlement of grievances the medical profession takes a highly important part. At every stage in the proceedings the medical aspects of the case are adequately brought to the consideration of the authorities responsible for decisions, and the medical members of the various tribunals are nearly all insurance practitioners familiar with the conditions of insurance practice. The procedure was not devised by the Government and imposed on the doctors; it is the result of many conferences between the Government and the accredited representatives of the medical profession. It has been modified from time to time, chiefly by increasing the disciplinary responsibilities of the profession, and after twenty-two years' experience it is generally regarded as an equitable, effective, and satisfactory method of dealing with grievances.

CONTRACT OF THE OUT-OF-STATE COMPANY

Referred to in Letters (see page 316, first column)

AGREEMENT

This Agreement made and entered into this ..... day of ....., 1935, at Medford, Oregon, by and between Dr. ..... Laboratories, Inc., an Oregon Corporation, hereinafter referred to as first party and ....., city ....., state ....., hereinafter referred to as second party,

WITNESSETH:

THAT WHEREAS, first party is engaged in the business of distributing certain pharmaceutical products and in connection therewith intends to appoint and retain a number of consultant physicians, and

WHEREAS, second party is a physician licensed to practice medicine in the state of ....., and is desirous of being appointed by first party as one of its consultant physicians within the territory where said second party is licensed to practice,

NOW, THEREFORE, in consideration of the promises and the mutual agreements hereinafter contained, it is agreed by and between the parties hereto as follows, to wit:

First: First party herewith retains and appoints second party as its consultant medical advisor within the territory wherein second party is now practicing.

Second: Second party agrees that he will act as consultant and medical advisor to first party within the territory where he is now practicing and will hold himself ready and available to see, examine, consult with and advise patients that may be referred to him by first party upon the specific agreement, however, that payment for such special services shall be made to said second party by the patients themselves, and first party shall not be liable nor responsible therefor. First party, however, shall have the privilege of referring to second party any person making inquiry of first party for medical treatment within the territory wherein second party is now practicing.

Third: Second party agrees to serve first party as its consultant and medical advisor within the prescribed territory and to render said first party such counsel and advice in medical matters as first party shall require of second party and as compensation for such services to second party, first party agrees that out of the gross receipts from the total sales of its products, first party shall cause to be set aside into a special fund for such compensation a sum equal to not more nor less than five per cent (5%) of all moneys obtained through the total sale and distribution of its products. This compensation fund shall be equally and ratably prorated and disbursed to all of the consultant physicians which first party shall appoint, and first party shall have the privilege of limiting the number of consultants to be appointed within its own discretion. Said disbursements to be made semi-annually on January 1 and July 1 of each and every year beginning January 1, 1936.

Fourth: First party herewith acknowledges receipt from second party of the sum of Two Hundred Dollars ($200) in full payment for listing second party's name as a consultant and advisory physician upon all lists of consultant physicians prepared, published or distributed by first party among the users of its products during the life of this agreement, and first party agrees that all such lists so prepared and distributed among the users of its products shall include the name of second party, until said second party shall request the exclusion of his name from such list. Before distributing such list, the proof shall be submitted to second party for his approval.

Fifth: All communications to first party under this contract shall be addressed to its Home Office at ....., Oregon.

Sixth: It is agreed that this contract shall be binding upon both parties as long as first party shall remain in business and so long as said second party shall continue the practice of medicine. Should said first party sell or otherwise dispose of said business, the obligations hereunder shall be binding upon and assumed by any successor of first party. In the event of the death of said second party, all benefits accruing to said second party shall pass to his heirs or assigns.

Seventh: No person or agent has any authority to make any representations other than those contained within this agreement, and second party acknowledges and agrees that in executing this agreement he has not relied upon any representations other than those contained within this agreement, and that this is the entire agreement of the parties. This agreement is not binding until received by first party and accepted by it.

In Witness Whereof, said ..... Laboratories, Inc., has caused this Instrument to be executed by its duly authorized officers and the seal of the corporation to be affixed thereto, and second party has affixed his signature thereto the day and year first above written.